

MOTION

SUBMITTED BY MR. BENTON,

IN RELATION

*To the legislative power of the Union, to assume the debts of the several States.*

DECEMBER 27, 1839.

Submitted, and ordered to be printed.

*Resolved*, That there is nothing in the constitution of the United States which can authorize the legislative power of the Union to assume the debts of the States which have been contracted for local objects and State purposes.

2. That the assumption of such debts either openly by a direct promise to pay them, or disguisedly by going security for their payment, or by creating surplus revenue or applying the national funds to pay them, would be a gross and flagrant violation of the constitution, wholly unwarranted by the letter or spirit of that instrument, and utterly repugnant to all the objects and purposes for which the Federal Union was formed.

3. That, besides its flagrant unconstitutionality, such assumption would be unjust, unwise, impolitic, and dangerous, compelling the non-indebted States to incur burdens for others which they have refused to incur for themselves; diverting the national funds from national objects to State objects, and thereby creating a necessity for loans or taxes, or issues of federal paper-money to supply the place of the funds so diverted; prostrating the barriers of economy, moderation, and safety, in the creation of State debts by separating the function of contractor from that of payer of the debt, extinguishing the sense of responsibility in the contractor, and making the Federal Government the ultimate payer of all the obligations contracted by the States for their own purposes; establishing a dangerous precedent which must soon be followed up by new debts on the part of the States, and new assumptions on the part of the Federal Government; invading the rights and mortgaging the property of posterity, and loading unborn generations with debts not their own; creating a new national debt of large amount at the start, and of a nature to increase continually its own amount, and to perpetuate its own existence; begetting a spirit in Congress which must constantly cater for distributions by preventing necessary appropriations, and keeping up unnecessary taxes; laying the foundation for a new and excessive tariff of duties on foreign imports to fall unequally on different parts of the Union, and most heavily on the planting, grain-growing, and provision-raising States, to their manifest injury and probable great discontent; involving disastrous consequences either to the Union itself or to its members, as tending to the consoli-

tion of the States, and their ultimate abject dependance on the federal head as the fountain of their supplies; or, tending to the annihilation of the federal head itself by stripping it of all its means of national defence and self-support, and reducing it to the helpless imbecility of the old confederation; giving a new impulse to the delusive career of the paper system, already in a state of dangerous over-action; ensuring the establishment of another national bank; and, finally, begetting a passion for periodical distributions of lands and money, and extensions of federal credit, which could find no limit to its demands until the national domain was exhausted, the federal treasury emptied, and the credit of the Union reduced to contempt.

4. That the debts of the States being now chiefly held by foreigners, and constituting a stock in foreign markets now greatly depreciated, any legislative attempt to obtain the assumption or securityship of the United States for their payment, or to provide for their payment out of the national funds, must have the effect of enhancing the value of that stock to the amount of a great many millions of dollars, to the enormous and undue advantage of foreign capitalists, and of jobbers and gamblers in stocks; thereby holding out inducement to foreigners to interfere in our affairs, and to bring all the influences of a moneyed power to operate upon public opinion, upon our elections, and upon State and Federal legislation, to produce a consummation so tempting to their cupidity, and so profitable to their interest.

5. That foreign interference, and foreign influence, in all ages, and in all countries, have been the bane and curse of free governments; and that such interference and influence are far more dangerous in the insidious intervention of the moneyed power than in the forcible invasions of fleets and armies.

6. That, to close the door at once against all applications for such assumption, and to arrest at their source the vast tide of evils which would flow from it, it is necessary that the constituted authorities, without delay, shall RESOLVE and DECLARE their utter opposition to the proposal contained in the late London Bankers' circular in relation to State debts, contracted for local and State purposes, and recommending to the Congress of the United States to assume, or guaranty, or provide for the ultimate payment of said debts.